

Amend Revenue and Taxation Code Section 69.5 to correct a technical error made by SB 555 (Ch. 264, Stats. 2005). (Technical)

Source: Property and Special Taxes Department

Existing Law

In 2005, the Board sponsored changes to Section 63.1 (parent-child change in ownership exclusion) and Section 69.5 (base year value transfers for the elderly and disabled) to expressly provide in statute that the claims taxpayers file to receive these property tax relief benefits are not public documents. These claims contain taxpayer sensitive personal information, including social security numbers, dates of birth, home addresses, home telephone numbers, marital status, adoption status, financial matters, and private medical information. (SB 555, Ch. 264, Stats. 2005)

The claim forms, which the Board prescribes for use in all of the counties, have always included a statement that they are not subject to public inspection. This statement was based on the opinion that the claims are exempt from public disclosure pursuant to the Information Practices Act, which limits the dissemination of personal information. The Board sought the legislative changes to expressly provide that the claims are not available for public inspection to ensure taxpayer confidentiality and avoid any uncertainty since both statutes were silent on the issue.

This Proposal

The original language contained in SB 555 was amended during the legislative process to address concerns raised by the Trusts and Estates Law Section of the State Bar of California to ensure that specified persons would have access to needed information contained in the claim forms. The State Bar Section was concerned that the bill, as introduced, would have prevented claimants and their legal representatives from gaining access to their own claim forms. Thus, amendments were taken to expressly list those persons who would have a right to access Section 63.1 and Section 69.5 claim forms. However, the amendments made to address these concerns inadvertently used the same language for both Section 69.5 and Section 63.1 which is technically inaccurate.

Section 63.1 relates to “transferees” and “transferors”, but Section 69.5 should refer to “claimants” since there is no “transferee” and “transferor” in a Section 69.5 base year value transfer situation. The transferee/transferor phraseology is only appropriate for Section 63.1 claims. Specifically, for Section 63.1, the parent is the “transferor” and the child is the “transferee” and both parties to the transfer of the property might need to access the claim form.

This proposal corrects the 2005 amendment to Section 69.5 by substituting the proper term of “claimant” for this particular type of situation.

Section 69.5 of the Revenue and Taxation Code is amended to read:

* * *

(n) A claim filed under this section is not a public document and is not subject to public inspection, except that a claim shall be available for inspection by the claimant transferee and the transferor or their respective the claimant's spouse, the transferee's claimant's or claimant's spouses legal representative, the transferor's legal representative, the trustee of a trust in which the claimant or claimant's spouse is a present beneficiary, and the executor or administrator of the transferee's or transferor's claimant's or claimant's spouse's estate.